

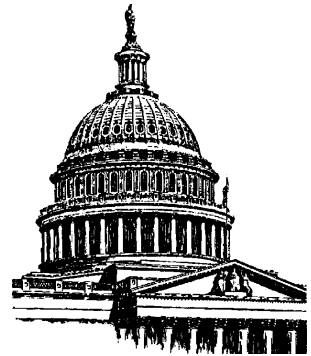
# Lynn Rivers' *Capitol Corner*

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106th Congress, April 1999 Edition

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A newsletter by Congresswoman Lynn N. Rivers representing Michigan's  
13th Congressional District



April 1999

*Dear Friends,*

*Although almost everyone is impacted by Social Security - either by contributing to it, or by receiving benefits from it - figuring out how the program really works can be confusing. The facts and figures provided in this issue should make things a little clearer.*

*This month I am also hosting an educational forum entitled "Social Security: What's Going On?" Please check the schedule on the last page - I hope to see you there.*

*Sincerely,*

A stylized, handwritten signature of Lynn N. Rivers in cursive script.

Lynn N. Rivers

## **Social Security by the numbers**

### **Who contributes to Social Security?**

Anyone who earns wages or a salary except for certain government workers, college students employed by their own academic institutions, members of certain religious sects, and some individuals with very low earnings (generally less than \$1000/year).

### **How much do they contribute?**

Employees pay 6.2% of their salaries/wages to Social Security up to a maximum amount (\$72,600 in 1999). This maximum amount is raised each year at the same rate as the growth in average earnings in the economy. Earnings in excess

*(Facts, page 2)*

## **CPSC monitors product safety**

How safe are the products that you buy? Television news programs seem to be constantly warning their viewers about hidden dangers lurking in common household items, often accompanied by ominous music and tragic testimonials from injured consumers. With so many different products on the market - not to mention the ones that you already have in your home - figuring out which ones are unsafe can be a never-ending process.

Fortunately, there is a government agency that was specifically designed to help with this problem. The Consumer Product Safety Commission (CPSC) was created by Congress in 1972, and its mission is to "protect the public against unreasonable risks of injuries and deaths associated with consumer products."

*(CPSC, page 3)*

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(*Facts*, from cover)

of the maximum are not subject to Social Security taxes.

Employers contribute a matching amount of 6.2% based on the employee's wages/salary. The self-employed contribute 12.4% of their wages/salaries.



### **How are Social Security benefits earned?**

Generally, you need to work for at least 10 years to qualify for benefits. If you are the spouse of a worker, you must be married for 10 years to qualify for spouses' benefits.

Contributions to Social Security by past and present workers are used to provide benefits for current retirees. As a result, changes in the ratio of workers to retirees, and/or changes in the economy that affect earnings can cause fluctuations in the amount of money available for the program.

### **What kind of benefits are there?**

Social Security provides retirement benefits to workers and spouses, disability benefits to persons who are unable to work and their families, and survivors benefits to the families of workers who have died.

### **How do retirement benefits work?**

Retirement benefits cannot be collected until you have reached age 62. At that point, all of your yearly earnings are examined. The amount you earned each year is multiplied by the percentage that the average earnings in the economy as a whole has increased since the year that you earned that amount. For example, if you earned \$12,000 in 1960, and average earnings have increased by 585% since then, your 1960 earnings would be given the weight of \$70,200 (\$12,000 X 5.85) when calculating your benefits.

Once all of your earnings have been adjusted in the same way, the 35 years where you earned the greatest amounts are selected. The average of these years is taken, and that figure is used to determine your benefits. In general, people with smaller average earnings receive a greater percentage of those earnings as retirement benefits. The average earner will receive a little less than half of their average yearly earnings in retirement benefits, while an earner with the maximum average earnings will only receive a little more than one quarter of their earnings in benefits.

## **Did You Know ...**

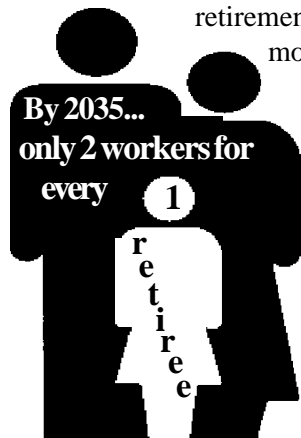
...Garden City was actually named for its gardens?

At the end of World War I, a rapidly growing population of Michigan autoworkers sought housing throughout the Detroit area.

On the western edge of the city, farms were subdivided into one acre home sites to form a new planned community.

The carefully apportioned lots were designed to be large enough for extensive gardening, or even small scale farming, at a location within driving distance of the Big Three factories.

When the time came to name the new community, backyards already full of sprouting corn, tomatoes, and other crops made Garden City the obvious choice.



### **Does it matter when you retire?**

If you begin to collect benefits at age 62, you will only receive 80% of the full benefit amount. For each year that you wait to collect benefits between age 62 and age 65, the amount increases by 8.3%, so that at age 65 you will receive the full benefit amount. You can wait until after age 65 to collect benefits, and your benefits will increase for doing so.

Starting with workers born in 1943, the age for full retirement benefits will increase to 66. For those workers born between 1955 and 1960, the age gradually rises to 67. These changes are meant to reflect increases in life expectancy.

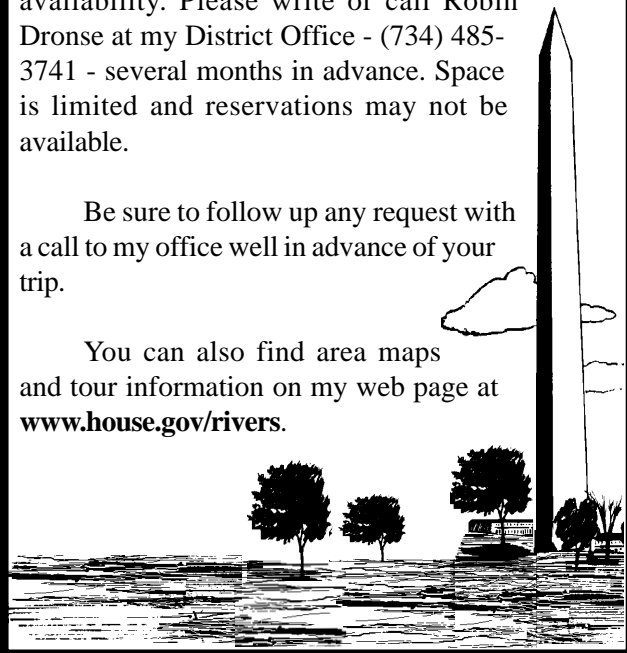
## Planning a trip to Washington, DC?

A limited number of free tickets are available on a first come/first serve basis for tours to various sites including: the White House, the Bureau of Engraving, the FBI, the Supreme Court, and the Congressional Gallery inside the Capitol.

My office can try to make reservations for you, but due to limited space we cannot guarantee availability. Please write or call Robin Dronse at my District Office - (734) 485-3741 - several months in advance. Space is limited and reservations may not be available.

Be sure to follow up any request with a call to my office well in advance of your trip.

You can also find area maps and tour information on my web page at [www.house.gov/rivers](http://www.house.gov/rivers).



(CPSC, from cover)

CPSC has jurisdiction over more than 15,000 products, covering almost everything that can be bought or sold except for transportation vehicles; food, drugs, and cosmetics; and alcohol, tobacco, and firearms.

Functions performed by CPSC include the development of voluntary and mandatory safety standards, research on potential product hazards, responsibility for informing and educating consumers, and the collection of recall and repair information.

When a manufacturer recalls an item for defects, safety hazards and/or repair, CPSC is notified and a press release is issued. This information is compiled in special publications that are available for public access.

CPSC publications discuss the hazards associated with specific consumer products, as well as general safety concerns for broader categories of items.

For example, under "Children's Furniture," you can find "**Tips For Your Baby's Safety**" - A checklist for such nursery equipment as cribs, playpens, high chairs, cradles and other products for babies and young children."

So if you want to check the safety of an item in your home, or if you are planning to purchase an item - such as a baby crib, or a heating appliance - that could have safety issues, CPSC is a great place to begin.

### Lynn Rivers' Capitol Corner

If you would like to receive this monthly newsletter in the mail, please return the form below to:

Congresswoman Lynn Rivers  
301 W. Michigan Ave., Suite 400  
Ypsilanti, MI 48197

(Mr./Mrs./Ms.)

Name

Address

City, Zip

U.S. Consumer Product  
Safety Commission  
Washington, D.C. 20207

#### CPSC Hotline

Recorded information available  
24 hours/day. Staff available  
8:30am to 5:00pm, Mon. - Fri.

1-800-638-2772

hearing and speech impaired  
1-800-638-8270

#### Fax-On-Demand service

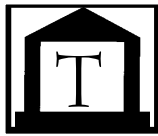
Dial from the handset of a fax  
machine for press releases and/  
or a catalog of available  
information.

(301) 504-0051

#### CPSC Online

[www.cpsc.gov](http://www.cpsc.gov)

**Lynn is hosting the following events:**



**Town Halls**



**April:**

Saturday, April 24, 1999  
10:00 am - 11:30 am  
Washtenaw Community College  
Liberal Arts/Science #1  
4800 E. Huron River Dr.  
Ann Arbor



**May:**

Monday, May 17, 1999  
7:00 pm - 8:30 pm  
Van Buren Township Hall  
46425 Tyler Road.  
Belleville



**Access  
Events**



**May:**

*U.S. Postal Service  
Information Session*

Thursday, May 27, 1999  
6:00pm - 8:00pm  
Ann Arbor  
Community Center  
625 N. Main St.  
Ann Arbor



**Coffee Hours:**



**April:**

Saturday, April 10, 1999  
10:00 am - 11:30 am  
Tim Hortons  
41276 Ford Rd., Canton



**May:**

Saturday, May 8, 1999  
10:00 am - 11:30 am  
Plymouth Coffee Bean  
884 Penniman Ave, Plymouth

Monday, April 12, 1999  
8:30 am - 10:00 am  
Tim Hortons  
2141 Rawsonville Rd.,  
Van Buren Twp.

Monday, May 17, 1999  
8:30 am - 10:00 am  
Bob Evans Restaurant  
2411 Carpenter Rd., Ann Arbor

Monday, April 19, 1999  
8:30 am - 10:00 am  
Romulus House Restaurant  
9100 S. Wayne Rd., Romulus

Friday, May 28, 1999  
8:30 am - 10:00 am  
Leon's Family Dining  
303 S. Wayne Rd., Westland



**Forums**



**April:**

*Social Security: What's really going on?*

Saturday, April 17, 1999  
10:00am - noon  
Westland Friendship Center  
1119 N. Newburgh Rd., Westland



**May:** *The Haves and the Have Nots:  
Should We Care?*

Monday, May 10, 1999  
7:00pm - 9:00pm  
Washtenaw Community College  
Morris Lawrence Bldg., Room 101  
4800 E. Huron River Dr., Ann Arbor

*Privacy in Contemporary America*

Saturday, May 22, 1999  
10:00am - noon  
Bailey Recreation Center  
36651 Ford Rd., Westland

U.S. HOUSE OF REPRESENTATIVES  
Washington, DC 20515-2213

Official Business

THIS MAILING WAS PREPARED, PUBLISHED, AND  
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*Lynn N. Rivers*

M.C.  
Bulk Rate

**13th Congressional District Constituent**